

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF LOUISVILLE)	CASE NO. 90-158-KK
GAS AND ELECTRIC COMPANY)	

ORDER

On December 21, 1990, in Case No. 90-158, the Commission approved certain adjusted rates for Louisville Gas and Electric Company ("LG&E") and provided for their further adjustment on a quarterly basis in accordance with its gas supply clause ("GSC").

On December 30, 1999, LG&E filed its GCS to be effective from February 1, 2000 through April 30, 2000.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. LG&E's notice proposes revised rates designed to pass on expected decreased wholesale gas costs to its customers. LG&E's proposed expected gas supply cost is 32.514 cents per 100 cubic feet, or \$3.2514 per Mcf, which is 43.84 cents per Mcf less than the previous expected gas supply cost.

2. LG&E has no current supplier refunds to return to its customers. This represents a 3.74 cent per Mcf increase over the last refund adjustment.

3. LG&E's notice set out a current quarter actual adjustment ("AA") of .51 cent per Mcf to collect under-recovered gas cost from August, September and October 1999. The proposed total AA of (1.71) cents per Mcf reflects the current under-collection, as well as under- and over-collections from three previous quarters, and represents an increase of 8.85 cents per Mcf over the previous total AA.

4. LG&E's notice set out a Balance Adjustment ("BA") of (.93) cent per Mcf to return remaining over-collections from previous actual and balance adjustments. This is a decrease of 2.84 cents per Mcf from the previous BA.

5. LG&E's notice set out its Performance-Based Rate Recovery Component ("PBRRC") of \$.0534 per Mcf which is designed to collect LG&E's portion of PBR savings from the 12-month period ending October 31, 1999. This PBRRC represents a decrease of 3.34 cents per Mcf from the previous PBRRC.

6. These adjustments produce a gas supply cost component of 32.784 cents per 100 cubic feet or \$3.2784 per Mcf, 37.43 cents per Mcf less than the prior gas supply cost component of \$3.6527 per Mcf.

7. The rate adjustment in the Appendix to this Order is fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after February 1, 2000.

8. LG&E filed with its notice a petition for confidential treatment of supplier information filed in Exhibit B-1, pages 5 and 6 of 6. LG&E has established that the publication of such information is likely to cause competitive injury to LG&E. Therefore, its request that the identity of each supplier be kept confidential should be granted.

9. LG&E further requested that the Commission authorize LG&E to file this information in the future on a confidential basis without the need to accompany each filing with a new petition for confidential treatment. Pursuant to 807 KAR 5:001, Section 7(2)(a), LG&E has submitted with each GSC filing a petition seeking to protect the identity of its suppliers as commercially sensitive information. The Commission has granted each request to keep this material confidential. Likewise, pursuant to 807 KAR 5:001, Section 14, the Commission may, for good cause shown, permit deviations from these rules. The Commission finds that LG&E should continue to include the same supplier information in each quarterly GSC filing it will make for the foreseeable future. LG&E should be granted a deviation from the regulation requiring the filing of a petition each time this same information is filed with the Commission, and the information should be treated accordingly by the Commission with each future GSC filing.

IT IS THEREFORE ORDERED that:

1. The rate in the Appendix to this Order is fair, just, and reasonable and is effective for gas supplied on and after February 1, 2000.
2. Within 30 days of the date of this Order, LG&E shall file with this Commission its revised tariffs setting out the rates authorized in this Order.
3. LG&E's request for confidential treatment of Exhibit B-1, pages 5 and 6, is hereby granted.
4. LG&E is granted a deviation from 807 KAR 5:001, Section 7(2)(a), which requires it to file a petition for confidential treatment of information for which it seeks protection, for the purpose of its filing of gas supply information in GSC filings.

5. LG&E shall, in its GSC filing, state that the identity of its natural gas suppliers as filed with its GSC is confidential by reference to this Order by number and date.

6. LG&E shall inform the Commission in writing at any time when any of the material granted confidentiality herein becomes publicly available or no longer warrants confidential treatment.

Done at Frankfort, Kentucky, this 27th day of January, 2000.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-158-KK DATED JANUARY 27, 2000

The following rates and charges are prescribed for the customers served by Louisville Gas and Electric Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Gas Supply Cost Component

The total Gas Supply Cost Component shall be 32.514 cents per 100 cubic feet during the period covered by the bill.